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Consultancy

Outcome Harvesting Evaluation ActionAid Denmark Tax Justice Programme Evaluation Report



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I wish to thank all the change agents of the Tax Justice programme who participated in this evaluation. I really appreciate their effort and commitment to formulate their outcomes in a very short timeframe. I am especially grateful to Helene Bach for her amazing coordination of this evaluation from the side of AADK. I also really appreciated her enthusiasm and dedication to find the right monitoring and evaluation tools that enable AADK to demonstrate the results of the Tax Justice programme.

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Introduction and evaluation design

2. The ActionAid Tax Justice Programme

The programmatic focus of ActionAid Denmark (AADK) is on good governance, with two interlinked overall programme objectives: 1. Securing improvement in the quality, equity and gender responsiveness of public services for people living in poverty; 2. Securing fair redistribution of resources through taxation. In 2010, AADK joined the ActionAid Federation and in late 2014, AADK was delegated the responsibility for coordination and learning related to all governance work in the federation. This delegation is referred to as the Democratic Governance Delegation. A key focus of AADK has been to further integrate the work on access to public services and tax justice, as well as integrating the various activities on tax justice into a common tax justice programme. Since 2012, ActionAid Denmark (AADK) has been engaged in tax justice activities at national and global level. In the first years, substantial resources were spent on building up capacities and knowledge in the field of tax justice and since 2014, the Tax Justice activities are increasingly showing results.

AADK provided programme support and capacity development to the AADK partnership countries, and broader civil society partners. Summing up, AADK has supported the tax justice programme in the following ways:

- Programme support to partnership countries, entailing financial and technical assistance on governance and tax
- Support to the ActionAid International (AAI) Global Tax Campaign to undertake global research and advocacy
- Support to ActionAid's global youth network, Activista
- AADK own research and policy work focusing on a Danish and European policy context, e.g. on Double Taxation Treaties (DTT) and responsible corporate behaviour
- Lead on the Democratic Governance Delegation of the AA (ActionAid) Federation, including cross-country learning around progressive taxation

AADK integrated capacity building modalities consisting of:

- People4Change (P4C): facilitating face-to-face mentoring and capacity development through placement of Inspirators (up to 9 months) and long-term technical Advisors with partners or ActionAid offices
- The Global Platforms are a global network of youth educational centres providing training and facilitating youth engagement (Training4Change)
- TCDC is the AADK training Centre for Development Cooperation in Tanzania providing training for AA staff and partners on e.g. governance and tax (Training4Change). From 2012 to 2016, 357 people were trained on tax justice at TCDC.

In 2016, one Tax Advisor was placed in Mozambique, one in Tanzania and one in Zambia. From 2013 to 2015, a Tax Advisor was placed in Uganda. In addition, one Tax Inspirator was placed in Uganda from May 2015 to February 2016 and one in Tanzania from November 2016 to July 2016.

The ActionAid International monitoring and evaluation (M&E) system captures well the achievements related to access to public services, where AADK has valid data documenting that, since 2012, approximately 2,100,000 people living in poverty got access to improved public services in the 9

partnership countries that AADK supported. This work is taking its point of departure at the very local level, mobilising communities to demand quality public services, linking it to tax through national level advocacy and policy work. The existing AA Global Monitoring System and indicators on tax justice are not fully suited to capture policy processes and changes in complex settings and therefore achievements related to redistribution and tax justice are not equally well captured and documented. As a response to this, AADK decided to undertake an Outcome Harvesting Evaluation aimed at documenting results of the tax justice activities. AADK also intends to introduce Outcome Harvesting as a method in the M&E system of AADK and AA.

This report will start by explaining the evaluation design and the evaluation approach. This will be followed by the findings of the evaluation and the overall conclusions.

3. Users and uses

The AADK leadership team, the Democratic Governance team, as well as the relevant country offices and AAI units wish to get a better understanding of the results of the Tax Justice Programme and the approach/ combination of programme modalities that contributed to these results. They will use the evaluation findings to adjust future programme design and approach. More in specific, they will use the findings to integrate the different activities of ActionAid on Tax Justice into a coherent programme.

The AADK M&E unit (Accountability Unit) will use the Outcome Harvesting Evaluation to inform the M&E frame for the next phase of the governance programme. In addition, they will use the findings to support their funding application to Danida. Furthermore, they will use the capacity in applying Outcome Harvesting that they will gain during the evaluation process, to integrate Outcome Harvesting into the monitoring system of AADK.

4. Evaluation questions

1. In which social actors is ActionAid influencing change?
2. To what extent do the outcomes represent patterns of progress towards the strategic objectives of the Tax Justice programme?
3. How did the Tax Justice programme contribute to the outcomes through its programme modalities (Training4Change, Tax Advisor, support to governance programme, Global Tax Campaign, Inspirator and Activista)?
4. To what extent do the outcomes achieved by AADK show that the work of AADK on Tax Justice is locally rooted?
5. To what extent do the outcomes show linkages between the local, national, regional and global level of advocacy?
6. To what extent do the outcomes show a link between progressive taxation and improved social services?

5. Scope of the Evaluation

In 2016, AADK provided programme support to 8 partnership countries (Nicaragua was phased out in 2015). Not all partnership countries implement tax related activities, and it was decided to focus the Outcome Harvesting Evaluation on Uganda (AAU), Zambia (AAZ), Mozambique (AAMoz) and Tanzania (AATZ), as well as research and advocacy related activities in Denmark and through the Global Tax Campaign.

This Outcome Harvesting Evaluation took place between February 2017 and May 2017. The evaluation sought to identify the outcomes that occurred between January 2014 to December 2016.

ActionAid Denmark contracted the evaluator, Goele Scheers, to carry out this Outcome Harvesting evaluation. The evaluator was assisted by Helene Bach, PME Coordinator, who coordinated the evaluation within AADK.

6. About the evaluator

Goele Scheers is an independent, international consultant, with a focus on monitoring and evaluation in complex settings. She supported a range of organisations and networks across the world in developing and improving their Planning, Monitoring and Evaluation (PM&E) systems. Goele is particularly specialised in Outcome Mapping and Outcome Harvesting and has more than 10 years of experience in using these methods. Prior to becoming an independent consultant, she was working at 'The Global Partnership for the Prevention of Armed Conflict (GPPAC)'. As the Coordinator for Planning, Monitoring, Evaluation and Learning she set up a network-wide PM&E system based on Outcome Mapping and Outcome Harvesting. She holds a Master in 'Intercultural Work and Conflict Management', a Master in International studies, a bachelor in Social Work and a bachelor in Psychology.

See www.goelescheers.be for more information.

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The evaluation process

This chapter will explain how Outcome Harvesting, the evaluation approach, was used in to evaluate the results of ActionAid's Tax Justice programme.

1. About Outcome Harvesting

Outcome Harvesting is a utilisation-focused, participatory tool that enables evaluators, grant makers, and programme managers to identify, formulate, verify, and make sense of outcomes they have influenced when relationships of cause-effect are not always known. Unlike most other evaluation methods, Outcome Harvesting does not measure progress towards predetermined outcomes or objectives, but rather collects evidence of what has been achieved, and works backward to determine whether and how the project or intervention contributed to the change¹.

The Outcome Harvesting approach consists of six steps:

1. Design the harvest
2. Review documentation and draft outcomes
3. Engage with change agents²
4. Substantiate
5. Analyse & interpret
6. Support the use of findings

Outcome Harvesting focuses on *outcomes* defined as *the changes in behaviour, practices, relationships and actions* of actors that the Tax Justice programme has influenced³. In that sense, the activities and outputs of the Tax Justice programme do not count as outcomes because they are under ActionAid's control and do not show the effects of the programme's efforts. A typical example is the attendance of participants at a training meeting, which is not an outcome but an output, it tells something about the process, good or service produced by the network. Outcome Harvesting focuses on the potential effects of such a training event at the level of the change of behaviour or practice of the respective participants.

Outcomes generally take time to emerge and some activities may never lead to an outcome. Often, activities will contribute indirectly and partially to one or more outcomes. Outcome Harvesting seeks to avoid assessing results through a linear, cause-effect mind-set. Instead, it seeks to identify causality in the activities or outputs of the Tax Justice programme that contributed in a small or large way, directly or indirectly, and intentionally or not to the outcomes. In addition, Outcome Harvesting does not limit assessment to predefined results, but also aims to capture unexpected results.

One of the values of outcomes is that they reveal a process of change. Thus, some outcomes generated by the Tax Justice programme may be relatively minor or preliminary compared to others. That is not

¹ For more information about the Outcome Harvesting method, see Wilson-Grau, R., Britt, H., *Outcome Harvesting*, Ford Foundation, 2013

² A change agent is an individual or organisation that influences an outcome.

³ Outcome Harvesting is based on Outcome Mapping and uses the same definition of outcomes. See Sarah Earl, Fred Carden, and Terry Smutylo, *Outcome mapping: building learning and reflection into development programs*, IDRC, 2001. See http://www.idrc.ca/en/ev-26586-201-1-DO_TOPIC.html.

a problem because the importance of an outcome is usually its relationship to other outcomes. For example, a Ministry of Finance has to recognise the value of progressive taxation before it will change its policies around the issue.

2. Data collection

During an Outcome Harvesting evaluation, data is collected through a document review as well as through engagement with the change agents.

a) Document review: The evaluator reviewed all progress reports, case studies and donor reports provided by AADK. Due to the timing of the harvest workshop, part of the document review was finalised after the workshop and complemented the outcomes defined by the change agents. For a full overview of documents consulted and the number of potential outcomes identified from these documents, see ANNEX 3: Overview of documents consulted.

b) Engagement with change agents: The change agents of the Tax Justice Programme involved in this evaluation were staff from the AA offices, two Advisors and partners from Uganda, Tanzania, Mozambique, Zambia and Denmark, as well as staff from the Global Tax Campaign.

An Outcome Harvesting workshop was organised from 1-2 March 2017 in Copenhagen, Denmark. In follow-up to this workshop, the evaluator engaged with the change agents via e-mail and google documents to fine-tune the outcomes. For a list of the participants in the workshop, please see: ANNEX 4 Participants of the Outcome Harvesting workshop.

During the first morning of the workshop, an introduction to the Outcome Harvesting methodology was given to the change agents as well as interested staff from the AADK office. During the rest of the workshop, the evaluator supported the change agents in harvesting their outcomes. The participants reflected in groups per country on the behavioural changes that were observed during the evaluation period. Afterwards, they repeated this process in cross-country groups. Participants shared, discussed and reviewed the observed changes followed by the formulation of an **outcome description**. Outcome descriptions state the changes in behaviour of a particular actor that the Tax Justice Programme has influenced. The descriptions clearly explain what happened, by whom, when and where it happened. The outcome descriptions are brief statements of approximately 2-3 sentences. In addition to the formulation of the outcomes, participants were asked to describe the **significance of the outcomes** on the national, regional and global level, as well as to articulate the **contribution** of the Tax Justice programme to the outcome.



Example of an outcome from the Tax Justice Programme

Outcome Description

In 2015, the Minister of Finance of Mozambique recognised the negative consequences of Double Taxation Treaties (DTTs), stopped signing new ones and is awaiting review of the current 9 DTTs in Mozambique.

Significance:

Mozambique has 9 DTTs of which most of them give away significant taxing rights on Royalties, Dividends, Interest and Service Fees, especially the ones with South Africa, UAE and Mauritius. There was the round tripping of investments and treaty shopping by investors through Mauritius and UAE. As a result of the above, the Mozambican Government was losing very significant revenue which could have been used for progressive

spending to improve quality of education which is very low with some pupils learning under trees and studying seated on the floors. The amount lost to DTTs in Fiscal Areas of Maputo, Beira, Tete and Nacala in 2014 amounted to over 1.97 Billion Meticals, equivalent to over US\$119 million. After the recognition by the Minister of Finance, a new unit specifically working on DTTs in the Mozambique Tax Authority was set up.

Contribution:

AADK provided technical and financial support which enabled AAMoz to:

- Conduct a study on “Socio-economic implications of DTTs in Mozambique” in 2015
- Carry out debates and conferences in 2015 on how to improve Domestic Resource Mobilisation (DRM) by reviewing the current generous DTT framework with the Ministry of Finance, The Planning and Budget Committee, Mozambique Tax Authority and CSOs including youth Activista in Maputo, Mozambique.
- Conduct validation meetings of the study on DTTs with the Tax Authority and Ministry of Finance in 2015
- Publish an open letter on the DTT attended to the Minister of Finance in a national newspaper in March 2015. After publishing of the letter AAMoz was invited by the Minister of Finance to discuss DTTs.

The P4C Advisor was instrumental in:

- Development of the TORs for the study on DTTs
- Hiring of consultant to conduct study on DTTs
- Reviewing and validating the study
- Designing advocacy strategy based on recommendations from the study

In addition, Youth Activista contributed to a larger public debate for government to review the DTTs and the Ministry of Finance actively participated.

Examples of outcomes will be given throughout the report. For a full overview of the outcomes, see ANNEX 1: Outcomes Tax Justice Programme.

3. Analysis and interpretation:

In addition to formulating the outcomes, the change agents were asked to classify their outcomes, in order to enable the evaluator to answer the evaluation questions.

The following categories were used for the classification:

Classification field	Category
Year	
Country	
Social Actor	
Objectives	
Intended/Unintended	
Change level	<ul style="list-style-type: none"> • Local • National • Regional • Global
Programme focus	<ul style="list-style-type: none"> • Improved social services • Progressive Taxation

Significance level	<ul style="list-style-type: none"> • Major • Important • Minor
% Contribution	
Programme Modalities	<ul style="list-style-type: none"> • Tax Advisor • Training4Change • Inspirator • Programme support • Global Tax Campaign • Activista

The evaluator reviewed all categorisation with support from Helene Bach.

During the entire process, documentation review and outcome harvesting workshop, the evaluator has worked towards outcome descriptions that are **SMART**⁴:

Specific: The outcome is formulated in sufficient detail so that someone without specialised subject or contextual knowledge will be able to understand and appreciate it.

Measurable: Containing objective, verifiable quantitative and qualitative information, independent of who is collecting data. How much? How many? When and where did the change happen?

Achieved: The description establishes a plausible relationship and logical link between the outcome and the change agent's actions that influenced it. In other words, how did the change agent contribute to the outcome, in whole or part, indirectly or indirectly, intentionally or unexpectedly?

Relevant: The outcome represents a significant step towards the impact that the change agent seeks.

Timely: While the outcome occurred within the time period being evaluated, the change agent's contribution may have occurred months, or even years, before.

This evaluation process and product was guided by the **four standards of evaluation** of the American Evaluation Association⁵. Thus, the evaluator ensured that the evaluation's findings were not only valid but also credible to the intended users. The evaluator also took into account the welfare of those involved in the evaluation, as well as those affected by its results with questions such as confidentiality of data and sources addressed head on. Finally, the evaluator ensured that the evaluation procedures were practical and cost/effective and cause the minimum disruption of ActionAid's ongoing activities required to achieve the maximum necessary information.

4. Substantiation

During the design phase, the evaluator asked the users what would make the whole set of outcomes credible enough for the uses of the evaluation.

The following criteria were agreed upon:

- a) The outcomes were **provided by informants who were knowledgeable about the outcomes.**
- b) The change agents **agreed to go on record** with the information they provided about outcomes.
- c) The outcome descriptions concern **observable facts and are specific and concrete enough** to be verifiable.

⁴ Wilson-Grau, R., Britt, H., *Outcome Harvesting*, Ford Foundation, 2013, p.10.

⁵ See the universal standards for evaluation of the American Evaluation Association at www.eval.org:

- d) The change agents were asked to provide any **documents that contained evidence** to support the outcome change as well as their contribution. The documents provided as evidence were amongst others: Invitations for meetings from e.g. the Ministries of Finance; Memorandums of Understanding, laws and policies; national budgets; newspaper articles; research reports and policy recommendations. These documents were verified by the evaluator and were found to provide evidence for a substantial part of the outcome statements.
- e) The **relationship between how the Tax Justice Programme contributed and the outcomes was judged by the evaluator to be plausible**. In some cases, the contribution descriptions, although providing a lot of information on what the Tax Justice Programme did, do not contain an explicit link between the contribution and the outcome statement. The documentation that was provided however clarified that link. Only 4 outcomes were not included in the evaluation, because they were not considered credible enough.
- f) There was cross-validation between different AA country offices, AI and AADK.

Additionally, the evaluator sent a representative set of outcomes to third parties - who were independent but knowledgeable about the outcomes - to enhance the validity as well as the credibility of the findings. The evaluator and Helene Bach selected 20 of the outcomes that were sent to 8 substantiators. 7 of them responded and substantiated 18 outcomes. The substantiators fully agreed with 13 of the outcome descriptions and partially agreed with the other 5. For an overview of these outcomes and the comments of the substantiators, please see ANNEX 5: Table of substantiators and their agreement to the outcomes. Where relevant, the outcomes were revised based on the comments of the substantiators.

5. Limitations of the evaluation

Coinciding with the Outcome Harvesting review, the application process to become a strategic partner to Danida was launched. This meant that all staff from the AA country office and the Global Tax Programme present at the Outcome Harvesting workshop had to develop documents for expression of interest and subsequently proposals for country programmes. The AA staff present at the Outcome Harvesting Workshop also took part in this process, which made it challenging for them to allocate sufficient time to finalise the outcomes and provide documents for substantiation after the workshop. The process was thus delayed, but all material and information was submitted.

Findings of the evaluation

This chapter summarises the main findings of the evaluation. After looking at some findings on the whole set of outcomes, the report focusses on answering the evaluation questions. The findings are based on trends and patterns that could be detected in the outcomes. Examples of outcomes will be used to illustrate the findings. Every section ends with conclusions and recommended points for discussion.

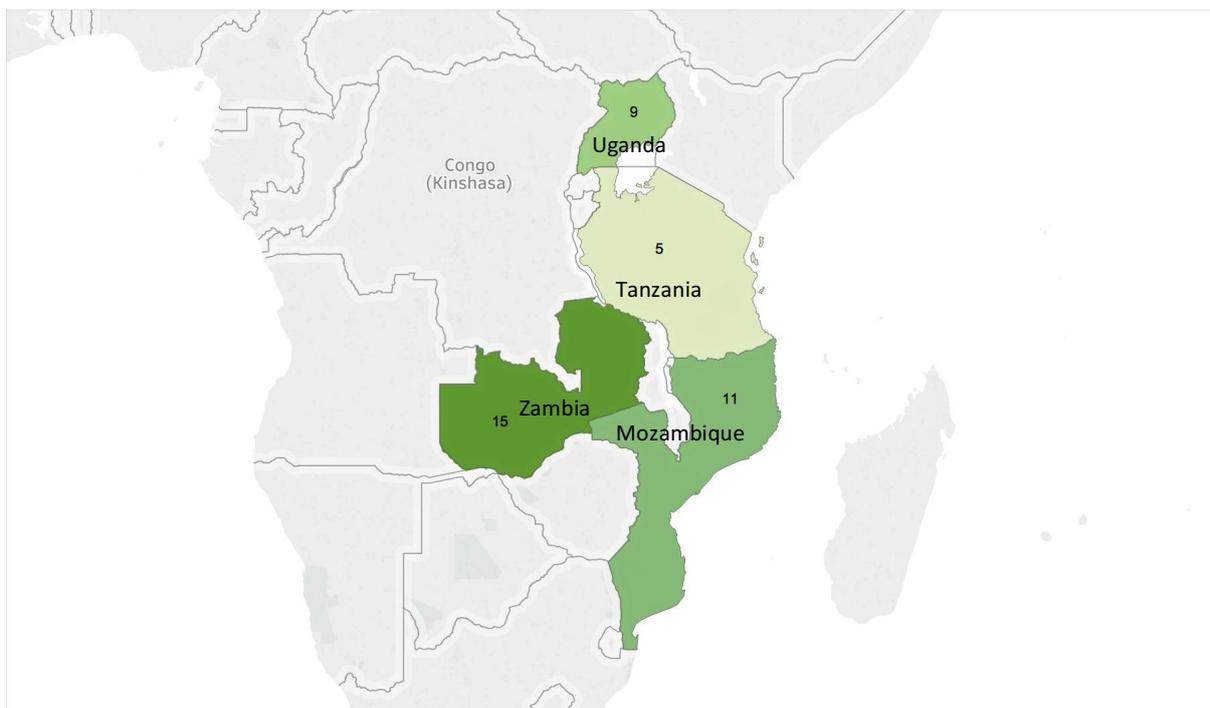
1. General findings

In total, 53 outcomes were collected during this Outcome Harvest. This was not an exhaustive inventory of the outcomes achieved by the Tax Justice Programme during the evaluation period. Proportionately more outcomes may be gathered if the exercise was extended. The outcomes in this evaluation reflect a representative set of changes based on the insights and observations of the change agents within the programme. At the end of the harvesting workshop, the participants reflected on the total set of outcomes they had collected. They identified change areas that were not yet represented or they thought were underrepresented. In the week after the workshop, a few outcomes were added in these areas. After that, the change agents agreed, that the outcomes were representative for the changes achieved by the Tax Justice Programme during the evaluation period.

Location

The picture below shows the spread of the outcomes over the countries involved in this evaluation. In addition, 13 global outcomes were collected. These are outcomes related to global research and advocacy, thus not directly linking to specific national contexts but e.g. aimed at relevant international institutions.

Figure 1 Overview of number of outcomes per country



Time

This evaluation aimed to look for outcomes that occurred between 2014-2016. A few outcomes from before 2014 were taken into account, because they were regarded as being valuable for this evaluation. Figure 2 shows, that most outcomes took place between 2015-2016, with a peak in 2016⁶. Naturally, people tend to have the most recent outcomes in their mind or those that are most memorable. This might influence this figure.

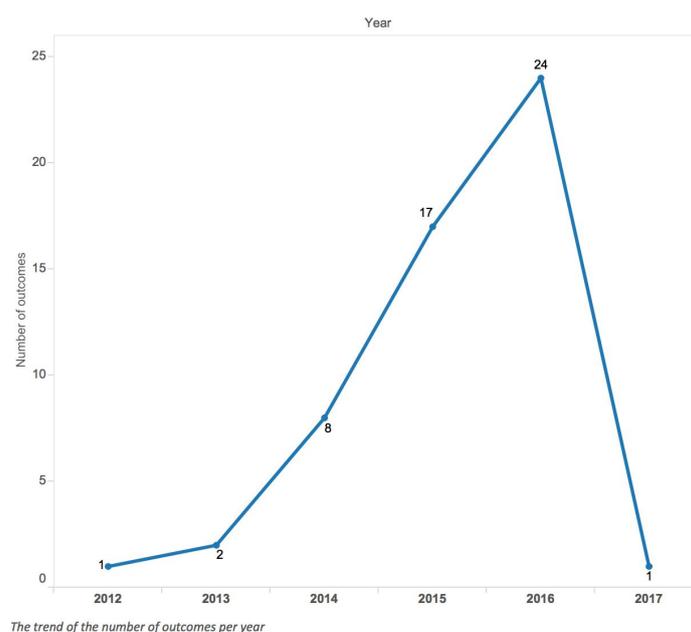


Figure 2 Number of outcomes per year

Significance

Besides describing the outcome and the contribution, the change agents were asked to describe the significance of the outcome on the national, regional and global level and to rate this significance. Although most of the significance descriptions are only meaningful in relation to the individual outcomes, some recurrent issues could be identified.

On the **national level**, change agents thought the outcomes were significant because they:

- opened up space for civil society to engage on Tax Justice with Ministries of Finance, which did not exist before.
- led to enhanced understanding of tax related issues amongst members of the public
- enhance transparency and accountability in the mobilisation and utilisation of tax.
- strengthened public support for Tax Justice.
- pushed governments to introduce progressive tax policies.
- put tax on the agenda, of governments, media and CSOs.
- are steps towards a more transparent and fair tax system.
- DTT's were previously not subject to any political discussion.
- communities became aware about how the tax system should function.

⁶ In case the outcome took place during a certain period, the starting year was mentioned

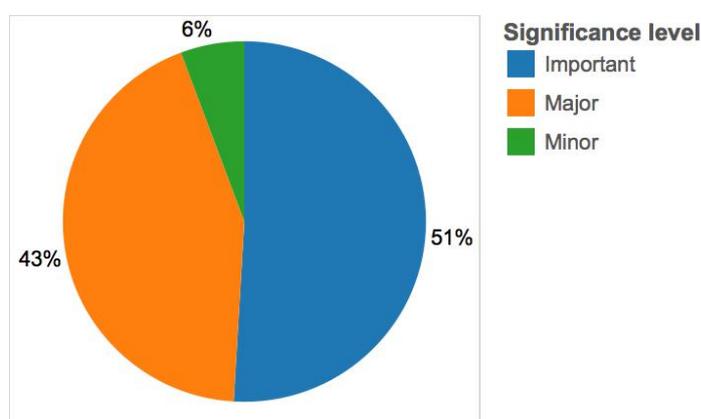
On the regional level the outcomes were regarded as significant because they:

- helped build a regional movement for specific campaigns.
- bring national tax issues to the regional level.
- learning about Government/CSO engagement in the region is passed on to other CSOs in the region
- can input/inspire regional advocacy.

The outcomes had significance on the global level because:

- national outcomes gave input to global lobbying.
- issues on progressive taxation were put on the agenda of global fora.
- They helped creating a space for shared learning on influencing governments
- Research reports offer a good basis to move from simply criticizing towards establishing a more constructive dialogue with businesses. The reports have inspired other countries to take action.
- they show that AA is a credible partner on Tax Justice for governments.

The outcomes were either reported as important or major changes by the change agents. Only a few outcomes (6%) were reported as minor changes. This picture may be influenced by the fact that in a first harvest, change agents tend to focus on the bigger outcomes. It will be interesting for AADK to see how this picture evolves when they continue using OH as their monitoring approach.



Significance level (color) and % of Total Number of outcomes (size).

Figure 3 Number of outcomes per significance level

Unintended outcomes

Most outcomes (87%) were reported as intended outcomes. Only 13% was identified as unintended outcomes. All, except one, of the unintended outcomes took place in Zambia.

Unintended outcomes of the Tax Justice Programme:

In 2016, the government of Zambia (particularly the Ministry of Finance) nominated ActionAid Zambia to be part of the reference team that will be consulted by Ministry of Finance to discuss tax reforms & expenditure to feed into the national economic recovery programme; and the Ministry of Finance proposed that CSOs

should be involved in the tax treaty formulation process. ActionAid Zambia was given the role of coordinating the participation of CSO's in the tax treaties formulation process. The meetings have been regular twice (2) in a quarter. [31]⁷

In November 2016, The African Union Permanent Representatives Committee (PRC) invited AA Zambia country director to make a presentation to the Committee on measures African governments should adopt to combat Illicit Financial flows. [33]

In 2016, in his 2017 budget speech the Zambian Minister of Finance said that funds will be allocated for investments in technologies to ensure minimisation of wastage of public funds.[34]

In 2016, the National Road Fund Agency (NRFA) in Zambia has begun the process of requiring all contractors and consultants working for NRFA to regularize their tax position with the Zambia Revenue Authority (ZRA) before the NFRA pays contractor or consultant. [35]

In 2016, the Zambia Institute of Mass Communication (ZAMCOM) introduced that the students as part of their assignments write about the impact of tax injustice on the economy. [38]

In 2014, 300 citizens organized to protest against the tax avoidance of the London-based mining giant Vedanta owning Konkola Copper Mine (KCM). [39]

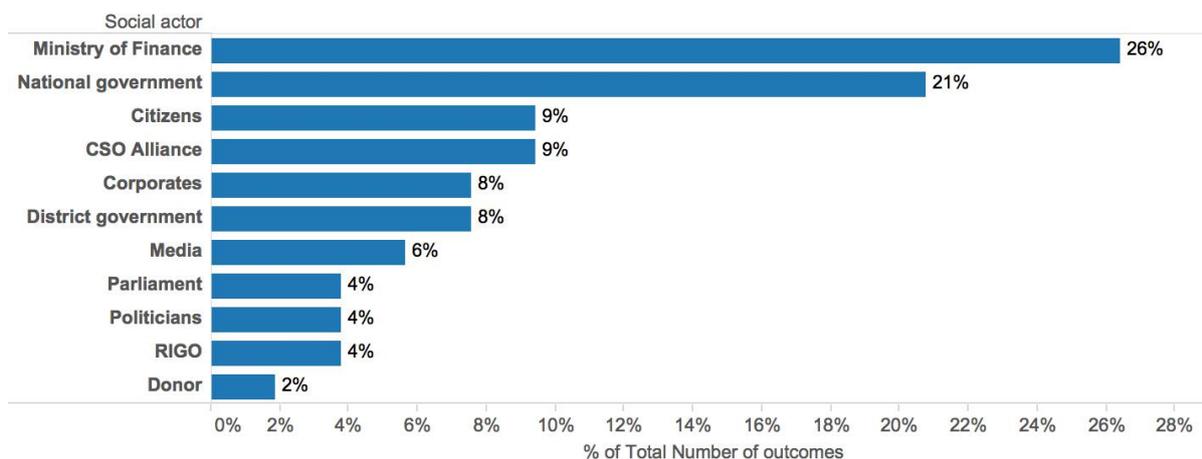
In 2014, the revenue authorities of Zambia undertook a forensic audit of company Konkola Copper Mine (KCM). [40]

2. Answers to evaluation questions

In which social actors is ActionAid influencing change?

ActionAid Denmark wanted to understand in which social actors the Tax Justice Programme had been able to influence change. The evaluator classified the outcomes according to the social actors. Figure 5 shows that the Tax Justice Programme mainly influences national governments. 47% of the outcomes demonstrate a change in behaviour of national governments, 26 % of which are about Ministries of Finance.

⁷ The numbers in brackets [0] refer to the outcome numbers in Annex 1: Outcomes of the Tax Justice Programme. When there are numerous outcomes, the numbers will be listed in footnotes.



% of Total Number of outcomes for each Social actor. Percents are based on the whole table .

Figure 4 Number of outcomes per social actor⁸

Most of the outcomes relate to the Ministry of Finance and national governments collaborating on progressive taxation with ActionAid and other CSOs, adopting their recommendations or changing their policies and practices around progressive taxation.

A few examples of outcomes related to the Ministries of Finance being willing to collaborate with AADK and other CSOs:

In 2014, the President of the Mozambique Tax Authority (ATM) signed an MOU for exchange of information and collaboration on work with ActionAid Mozambique on tax education, research and registration of citizens for tax purposes in Mozambique. [1]

In 2015, the Ministry of Finance in Tanzania invited the Tanzania Tax Justice Coalition, a coalition of CSOs of which ActionAid Tanzania is a member, for 3 consultation meetings on domestic resource mobilisation through tax collection, especially during the budgetary planning processes. [12]

In 2015, the Minister of Economy and Finance in Maputo, Mozambique invited ActionAid Mozambique to provide explanations on the Finance for Development process to improve the domestic resources mobilization to finance social sectors, especially education, health and water. [8]

In 2016, the government of Zambia (particularly the Ministry of Finance) nominated ActionAid Zambia to be part of the reference team that will be consulted by Ministry of Finance to discuss tax reforms & expenditure to feed into the national economic recovery programme; and the Ministry of Finance proposed that CSOs should be involved in the tax treaty formulation process. ActionAid Zambia was given the role of coordinating the participation of CSO's in the tax treaties formulation process. The meetings have been regular (twice in a quarter). [31]

In addition to collaboration, the outcomes also demonstrate how Ministries of Finance are adopting recommendations by ActionAid. A few examples:

In 2015, the Ministry of Finance-Tax Policy Department in Uganda adopted the recommendation by SEATINI-Uganda and ActionAid research to re-negotiate tax treaties that are harmful to Uganda's tax base. They drafted a policy to guide the negotiations, which is currently under discussion. [17]

In 2017, the Minister of Finance adopted the following proposals made by ActionAid Zambia and the Zambia Tax Platform in its budget for 2017:

⁸ RIGO= Regional Intergovernmental Organisation (e.g. EU, AU)

- *Enhancing powers of the Zambian Revenue Authorities (ZRA) to cooperate with other government agencies on matters of taxation.*
- *Appoint some government agencies to serve as tax agents and collect tax from suppliers of goods and services engaged by these government agencies and remit to ZRA.*
- *Build linkages between taxation and banking."*[36]

In the Financial year 2015/16, the tax policy department of the Ministry of Finance (MoF) in Uganda adopted the recommendation by the CSO Tax Justice Alliance to develop a policy framework for Double taxation agreements (DTA) negotiations. [21]

Finally, the outcomes show evidence of Ministries of Finance changing their policies and practices.

In 2015, the Minister of Finance recognised the negative consequences of Double Taxation Treaties (DTTs), stopped signing new ones and is awaiting review of the current 9 DTTs in Mozambique. [2]

In 2016, the Mozambique Tax Authorities (ATM) introduced guidelines for corporates to seal alcoholic beverages and tobacco products leaving the country as it had revenue implications to South Africa, Swaziland, Malawi and Zimbabwe. [10]

In 2016, the National Road Fund Agency (NRFA) in Zambia has begun the process of requiring all contractors and consultants working for NRFA to regularize their tax position with the Zambia Revenue Authority (ZRA) before the NRFA pays contractor or consultant. [35]

Conclusions and recommended points for discussion:

ActionAid is mainly influencing national governments and Ministries of Finance through its Tax Justice Programme. The outcomes follow a common sequence of outcomes in terms of lobbying. Ministries of Finance and national governments first need to recognise the importance of progressive taxation and be willing to collaborate with CSOs around this issue, before they accept their input and finally change their policies and practices. The outcomes related to changes in the national government and Ministries of Finance demonstrate, that ActionAid is seen as an expert and credible partner on the issue of Tax Justice by these actors.

During the harvesting workshop, the change agents were surprised that these actors formed the largest category. The Ministries of Finance are a key actor related to policies on taxation and the implementation of these laws, however ActionAid could in the next phase of the Tax Justice Programme discuss if there are other actors that the programme should aim to influence in a more strategic way. In addition, AADK could discuss how it can build on the success in changing these actors to influence National Governments and Ministries of Finance in other countries.

To what extent do the outcomes represent patterns of progress towards the strategic objectives of the Tax Justice programme?

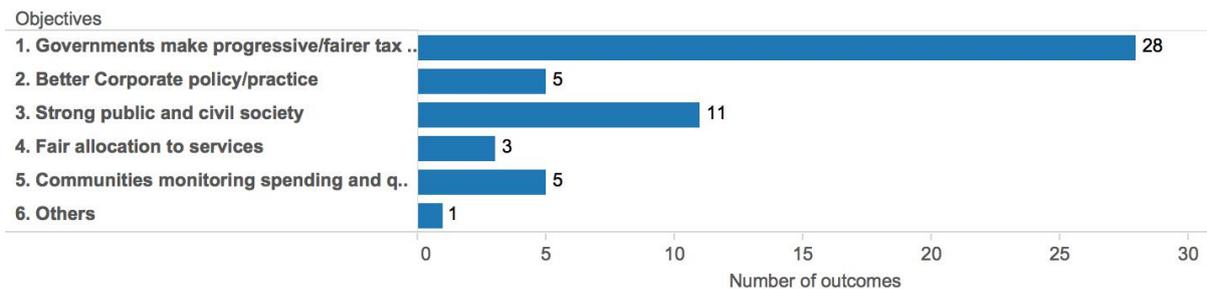
The various interventions on tax of ActionAid have previously been coordinated, but not fully integrated into one programme with commonly shared objectives. During the first day of the Outcome Harvesting workshop, the different intermediate objectives of the individual projects were discussed and merged into 5 commonly agreed objectives.

The strategic objectives of the Tax Justice programme:

- 1. GOVERNMENTS MAKE PROGRESSIVE/FAIRER TAX RAISING RULES (INCREASE SIZE OF REVENUE/BUDGET)**
Ensure governments develop and enforce fair and transparent rules on corporate taxation and a progressive system of taxation.
- 2. BETTER CORPORATE POLICY/PRACTICE** Make it socially indefensible for corporations to avoid tax or lobby for tax incentives
- 3. STRONG PUBLIC AND CIVIL SOCIETY** Build a global movement for tax justice with strong political clout.
- 4. FAIR ALLOCATION TO SERVICES (INCREASE SHARE OF BUDGET)** governments increase budget allocations and or actual disbursement for public services in health, education, and agriculture as a result of implementing progressive system of taxation
- 5. COMMUNITIES MONITORING SPENDING AND QUALITY OF SERVICES (INCREASE SCRUTINY/SENSITIVITY OF BUDGET)** Accountability and community monitoring of spending, on and quality of, public services

The change agents were asked to classify the outcomes according to these 5 strategic objectives.

Figure 5 Number of outcomes per objective

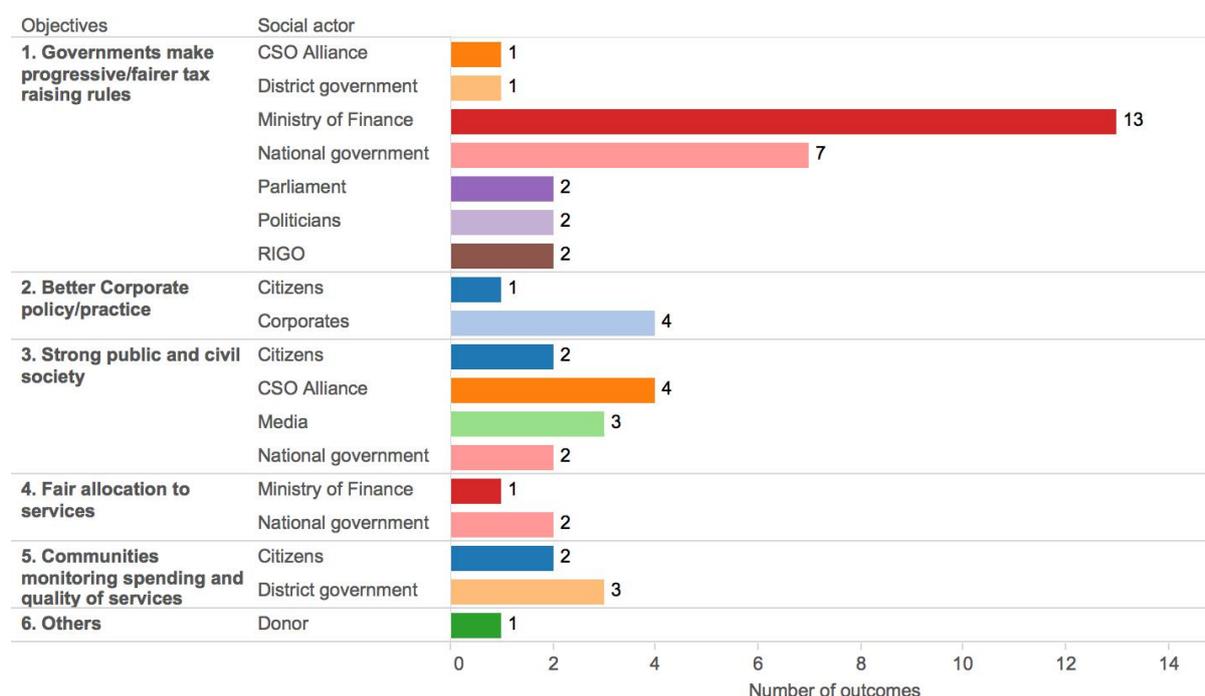


Number of outcomes per objective.

Given that the Tax Justice Programme is mainly influencing national governments, it is not surprising that most outcomes relate to objective number 1: governments make progressive/fairer tax rules. Only a few outcomes relate to objective 2, 4 and 5. One outcome is categorized as other. This outcome relates to funding: *In 2015, NORAD allocated 3 million EUROS for 3 years and Open Society Foundation USD \$100,000 for one years allocated for 6 countries (ActionAid Tanzania, Mozambique, Malawi, Nepal, Ethiopia and Myanmar) for ActionAid International for the programme on financing increased government investment in high quality public education especially for girls through progressive taxation [49].*

Figure 6 shows, which actors the Tax Justice programme is influencing under each of these objectives.

Figure 6 Number of outcomes per objective and actor



Sum of Number of outcomes for each Social actor broken down by Objectives. Color shows details about Social actor.

Conclusions and recommended points for discussion:

The Tax Justice Programme is mainly making progress on objective 1: Governments make progressive/fairer tax raising rules. ActionAid should therefore discuss what it can do to achieve more progress on the other objectives as well. Since the objectives were developed during the harvesting workshop, it would be advisable to confirm them with the programme partners as well as revise them based on the findings from this outcome harvest.

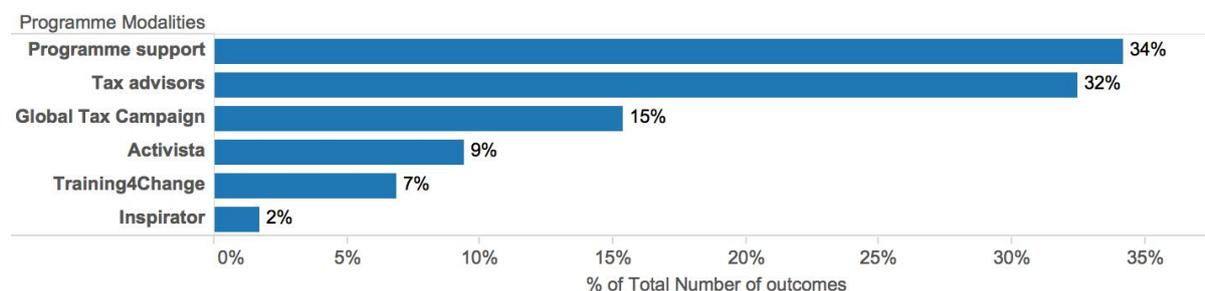
How did the Tax Justice Programme contribute to the outcomes through its programme modalities (Training4Change, Tax Advisor, support to governance programming, Global Tax Campaign, Inspirator and Activista)?

In addition to formulating the outcomes, Outcome Harvesting identifies the contribution of the change agent to the outcomes. It recognises the fact that not all of these outcomes were achieved by ActionAid alone, but that other actors and factors also contributed to these changes.

The change agents were asked to describe how the Tax Justice Programme contributed to the outcomes. This contribution could be partial, direct or indirect. Additionally, the change agents tagged the programme modalities that contributed to the outcomes (multiple answers possible). The different programme modalities of the Tax Justice programme are: Training4Change (TCDC and the Global Platforms), Tax Advisors, programme support, Global Tax Campaign, Inspirator and Activista⁹.

⁹ See Introduction for a description of these modalities.

Figure 7 Number of outcomes per programme modality



% of total number of outcomes for each Programme Modalities.

Figure 7 shows, that most of the contribution of the Tax Justice Programme to the outcomes was through programme support and Tax Advisors. The programme support consists of the financial contribution and technical support of AADK to the country offices to enable their activities. In that sense, it was never reported as the sole contribution to any of the outcomes. The Tax Advisors contributed to 32% of the outcomes. The contribution descriptions clearly demonstrate how the Advisors were instrumental in supporting the activities of the country offices. They had a crucial contribution to 38 out of 53 outcomes.

Youth activities play a smaller role in the Tax Justice Programme than in other parts of the AADK governance programme. ActionAid Denmark is planning to put more focus on youth in the Tax Justice Programme too in the coming years. In this harvest, the change agents reported a contribution of Activista to 9% of the outcomes¹⁰. Their contribution consisted in organising debates on Taxation and Development in which the Ministry participated and collecting signatures for petitions and campaigning. The Activista modality was never the sole contribution in these outcomes, but always supported the other programme modalities in the Tax Justice Programme in influencing the outcomes. The evaluator observed, that the change agents present during the harvesting workshop mainly reported on the modalities that they were directly involved in (work done by their country office, Advisor placed in their office, research from the Global Tax Campaign that they used or were involved in). No youth from Activista were present. This might explain partly, though not fully, why their contribution is underreported. Annual reports from the four countries and other additional documents did not provide any additional outcomes related to youth engagement or involvement of Activista either. The contribution of the modality Training4Change (7%) and Inspirators (2%) to the outcomes was rather small.

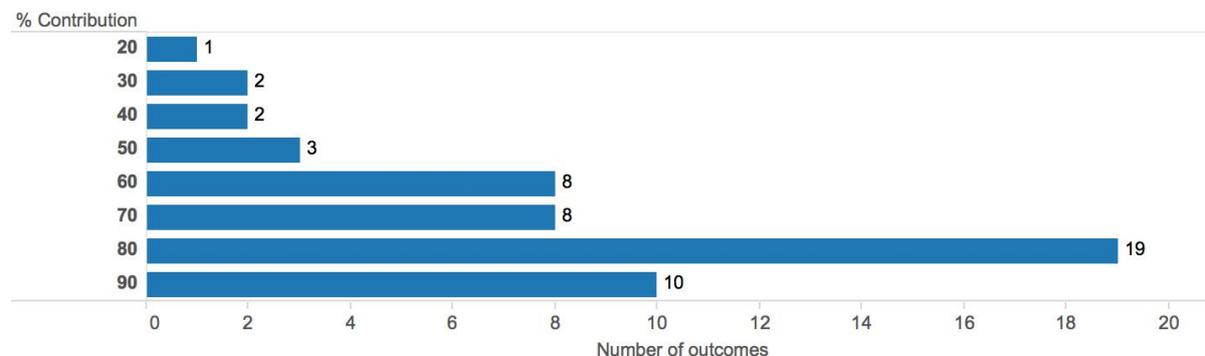
The following diagram illustrates how the Tax Justice Programme contributed to changes related to Double Taxation Treaties and shows the connections between the outcomes in this area.

¹⁰ Outcome numbers 1, 2, 3, 4, 13, 14, 16, 26, 30, 38, 41



The change agents were also asked to rate the extent of their contributions in percentages. The extent of the contribution to the outcomes was positively judged by the change agents, generally above 60% with a majority (19 outcomes) with 80% contribution by the Tax Justice programme.

Figure 8 Number of outcomes per percentage of contribution



Sum of number of outcomes for each % Contribution.

3 Outcomes were identified where the contribution was judged as 90%. These outcomes¹¹ were:

*From February 2016 and the following year media discussed for the first time about the scale of negative impact of the current global tax treaties network on the developing world based on the ActionAid International report *Mistreated: The tax treaties that are depriving the world's poorest countries of vital revenue.* [44]*

Contribution: *The research has for the very first time ever analysed and compared more than 500 international tax treaties that all low and lower-middle income countries in Eastern and Southern Asia and Sub-Saharan Africa have signed from 1970 until 2014. It scored how much a tax treaty restricts the way that the lower income country can tax three types of tax (profit tax, withholding tax and other taxing rights including capital gains tax). It enables key stakeholders to compare the treaties to which their government is party to neighbouring or similar countries. As part of the Tax Justice Programme research, quality assurance and packaging of the report for easy understanding for policymakers, journalists and public was done by the Global Tax Campaign. In 2016, ActionAid Zambia and ActionAid Uganda, as part of the governance programme/Tax Justice programme, organised tax treaties trainings in Lusaka and Kampala respectively attended by civil society partners, journalists and private sector representatives from Zambia, Malawi, Uganda, and Tanzania. The training contributed to creating a debate in Zambia and Uganda on the tax treaties taking the point of departure in the research presented in the *Mistreated* report.*

In April 2015, the President of the Republic of Mozambique visited primary schools, three in Maputo and one school in Gaza provinces. At these schools, 530 desks were distributed, benefiting 3180 students. [9]

Contribution: *In March 2015, AAMoz sent an open letter to the President on the state of education sector linking the financing for public education to tax. This letter that was published by AAMoz and led to the president visiting the schools. AAMoz, with the help of the Tax Justice Advisor and in collaboration with TJN-A and the Danish Embassy in Mozambique held a conference on Illicit Financial Flows where Ministry of Finance officials participated and contributed. After that, the Transparency and Tax Justice Coalition, under the guidance of AAMoz, produced and published an open letter to the president of the republic on how tax justice could be used to clear education financing problems in the country.*

In November 2014, members of the Danish Parliament called the Minister for Tax for the first time for a consultation on Double Taxation Treaties (DTT) and their impact on the developing countries. [53]

¹¹ See Annex 1 for a full description of the outcomes and their contribution.

Contribution: The AADK research 'Time to change', on the DTT with Ghana combined with lobbying members of parliament to call the Minister for Tax for consultation.

For 3 outcomes the contribution of the Tax Justice Programme was rated small (20-30%). For the last two of these outcomes, ActionAid did a lot to contribute to the change. However, they recognise that, since it concerns high-level changes, many other actors and factors contributed to that change.

In 2015, based on higher revenues mainly from the taxing of the mining industry, the government of Zambia has increased the allocation for social sectors e.g. in education sector where 5,000 teachers will be recruited. The continuation of the School Feeding Programme, which enables a number of children from poor and vulnerable families to stay in school. [37]

Contribution: AAZ contributed to the change through the Zambia Tax platform by advocating for higher taxation of the mining industry. This was done through research and advocacy work.

In 2016, the European Commission made a recommendation to the member states through its "Anti-Tax Avoidance Package" to look into tax treaties signed by EU Member States with developing countries. [45]

Contribution: The report *Mistreated* was launched at the European Parliament in April 2016, and presented to the Platform for Tax Good Governance (a key advisory body to the European Commission on tax) in January 2016. The report gives recommendations to what the member states could do on reviewing tax treaties. The launch of the report contributed and strengthened the interest and pointed to the need to review tax treaties. The parliament is more progressive related to fair taxation, and the *Mistreated* report with the recommendation strengthened the arguments of the European Parliament towards the Commission, by providing facts and substantial background information. Also, advocacy was done by AADK through Eurodad (the European Network on Debt and Development) a network of 47 civil society organisations (CSOs). This was supported by the ActionAid International policy anchor placed with AAUK and the AA policy officer in Brussels.

At the third International UN Financing for Development (FfD) intergovernmental conference in Addis Ababa, Ethiopia in July 2015, the group of 77 Heads of State of developing countries led by chair South African government, tabled a motion for the introduction of an intergovernmental tax body under auspice of the United Nations to set global norms on tax and fought for its inclusion, despite in the end compromising on it due to significant pressure from developing countries. [42]

Contribution:

- ActionAid attended UN consultations on Financing for Development to work with other civil society partners to input our key messages in New York (January, April, June, 2015).
- ActionAid Africa Regional Advocacy Coordinator built relationships with the African Union and UN Economic Commission for Africa and opened doors for African Civil Society partners to meet with and influence Africa Regional Consultation ahead of FfD conference (March 2015).
- ActionAid led and organised CSO FfD forum's tax discussion (July 2015) and helped draft tax text in the CSO FfD declaration and tax lobbying position for CSOs, together with Eurodad.
- ActionAid helped lead the discussion on tax in the AWID Women's Rights Forum to get key women's rights movement allies to include tax justice key messages (July 2015) in the run up to FfD.
- ActionAid staff and Advisors present at FfD summit helped coordinate CSO discussions and agreement on tactics (policy, lobbying, media, stunts).
- ActionAid policy briefing "Levelling up" provided examples of concrete actions governments could take related to ensure corporates paying a fairer tax share, which was a unique contribution to empowering developing country governments with strong arguments and narrative to use.
- ActionAid (staff and Advisors) lobbied and liaised with key government delegates present at the Financing for Development Conference.
- 15 ActionAid officers took action to bring pressure to bear on policy makers for tax justice for financing for development, such as lobbying their national governments with letters meetings and briefings, mobilising citizens through social media, petitions and stunts, and media work.
- ActionAid talked to journalists to get media coverage on key messages, got opinion editorials published and wrote blogs. Coverage included Reuters, Bloomberg, CCTV and Al Jazeera, BBC World Service, EPS, EBC

[Ethiopian Broadcasting Corporation], UN Radio, and South-South News.
- ActionAid spoke at or organised a number of side events and panel discussion on tax at FfD summit

As described above, the rating of the contribution was based on the perception of the change agents. The evaluator verified the documentation provided by the change agents as evidence and adjusted the percentages if not enough proof was found. Additionally, the substantiators were, independent from the change agent, also asked to rate the contribution of the Tax Justice Programme. Of the 18 outcomes that were substantiated, most contributions were rated the same or even higher as the rating by the change agents. Only 3 outcomes were rated as having contributed less than judged by the change agents. The outcome with most difference in rating is outcome 48 which was judged at 90% by the change agent and only at 50% by the substantiator. (See ANNEX 5: Table of substantiators)

Conclusion and recommended points for discussion:

The contribution of the Tax Justice Programme to the outcomes was mainly through programme support from AADK and through the work of the Tax Advisors. The contribution of Activista is significantly smaller. This is in line with the set-up of the programme, where AADK planned to first focus on capacity building and in the next phase on the involvement of youth. AADK could analyse the outcomes related to Activista further to identify models, lessons learned and possible barriers for youth engagement to inform future strategies.

Furthermore, AADK could discuss if Activista youth could be involved in the harvesting of outcomes. In this harvest, the change agents were asked to describe the contribution and tag the programme modalities that contributed. Another option for a subsequent harvest might be to ask the change agents to specify the contribution for the different programme modalities. For example:

How did the Tax Justice programme contribute to the outcome through its programme modalities?

- Activista: Please explain
- Global Tax programme: Please explain
- People4Change: Please explain.

This would allow for a more detailed analysis of the contribution in function of the modalities.

AADK should also reflect on the reason for the low contribution of the Training4 Change and Inspirators to the outcomes.

To what extent do the outcomes achieved by AADK show that the work of AADK on Tax Justice is locally rooted?

A key trademark of ActionAid is that its **work is locally rooted** in communities and with people living in poverty. This was for example acknowledged in an external stock-taking done in 2016¹². In this section, the evaluator examined if this was also a key feature in ActionAid's work on Tax Justice.

The evaluator identified which of the outcome descriptions were locally rooted based on the following 3 criteria defined by AADK:

- Interaction and involvement with communities at local level
- Local CSOs engaged as key actors¹³;
- Engagement of the general public

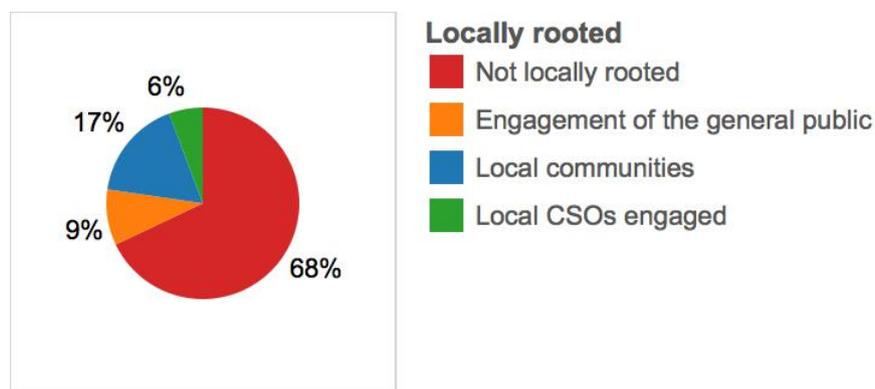
¹² AAI external Stock-taking by consultants Liepollo Lebohang Pheko, Danny Burns; Tobin Aldrich and James Crowley, 2016

¹³ This criterion applies to local CSOs who are not the change agent or part of the group/coalition forming the change agent (the individual or organization that influences an outcome). In many of the outcomes CSOs (AA, partners and the national tax coalitions) were the change agent.

If one of these criteria applied to an outcome, it was classified as locally rooted. These criteria were only applied to the outcomes, not the contribution. In other words, the evaluator examined if the outcome description showed evidence of the 3 criteria and not if ActionAid involved local CSOs, communities and the public in its contribution to the outcomes.

In total, 17¹⁴ out of 53 outcomes, or 32% of the outcomes were identified as locally rooted.

Figure 9 Number of locally rooted outcomes



Locally rooted (color) and % of total number of outcomes (size).

Figure 9 also shows the locally rooted outcomes according to the criteria by which they were judged. The locally rootedness is mainly shown through the involvement of local communities (17%).

Examples locally rooted outcomes:

In 2016, the communities in Namaacha, Marracuene, Chibuto, Bilene, Jangamo district, Mocuba, Maganja da Costa, Nammaroi, Inharrime, Montepuez and Mocímboá da Praia in Mozambique demanded transparency from the authorities in the collection and allocation of revenues from taxes, through public debates, inter-face meetings with authorities and, local monitoring. [7]

In 2016, Citizens and media in Uganda campaigned against Members of Parliament's move to exempt themselves from paying tax on their allowances. 4.3 Million citizens signed the petition and handed it over to the Ministry. [20]

In 2014, 300 citizens in Zambia organized to protest against the tax avoidance of the London-based mining giant Vedanta owning Konkola Copper Mine (KCM). [39]

Conclusion and recommended points for discussion:

The outcomes of the Tax Justice programme illustrate good examples of being locally rooted. However, on the total number of outcomes, only 1/3 could be identified as locally rooted.

¹⁴ Outcome Numbers 20, 23, 27, 39, 40, 4, 6, 7, 11, 13, 14, 15, 30, 38, 19, 24, 28

AADK could therefore reflect on how it can build upon its strength to achieve locally rooted results in other programmes, in order to achieve more outcomes in the Tax Justice programme that are locally rooted.

In a subsequent harvest, AADK could consider to apply the criteria for locally rooted also to the contribution by asking the social change agents to describe how they involved communities, CSOs and the public in influencing the outcomes.

To what extent do the outcomes show linkages between the local, national, regional and global level of advocacy?

In 2014, AADK was delegated the responsibility for coordination and learning of all governance related work in the AA Federation. This is organised under the Democratic Governance Delegation. A key focus of the Democratic Governance Delegation has been to connect the country level interventions both horizontal for mutual learning and vertical for regional and global advocacy. The evaluator assessed in how far the outcomes show that these linkages have been achieved. The change agents were asked to classify the outcomes as changes on local, national, regional or global level.

Definition of levels:

Local: communities

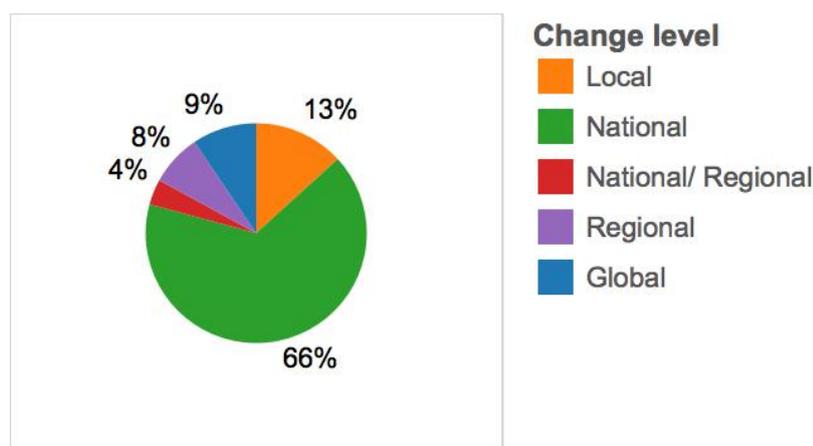
National: Country

Regional: **Africa**, relevant institutions as African Union; **Europe** e.g. Double taxation Treaties affecting countries in the Global South; country-by-country reporting agreement

Global: relevant global treaties and institutions e.g. UN Committee of Experts on International Cooperation in Tax Matters

Most outcomes of the Tax Justice Programme (68%) relate to changes happening at the national level¹⁵.

Figure 10 Percentage of outcomes per change level



Change level (color) and % of total number of outcomes (size).

¹⁵ This picture may be influenced by the fact that of the 16 change agents that harvested outcomes, only 3 change agents were assigned to harvest outcomes on the global level.

Vertical linkages:

In total, the evaluator identified 17 outcomes with clear linkages to other levels.

The outcomes on **local level** do not show a link with the global level. The majority of the **national level** outcomes happened because of a contribution by AA Mozambique, AA Uganda, AA Zambia or AA Tanzania and partners only, with support from AADK. An exception to this is the collaborative research by AADK and AA Ghana 'Time to Change' which contributed to the following changes:

In November 2014, members of the Danish Parliament called the Minister for Tax for the first time for a consultation on Double Taxation Treaties (DTT) and their impact on the developing countries. [53]

In April 2015, the Tax Commission of the Danish Parliament held, for the first time a public meeting with the participation of CSOs on where principles for the Double Taxation Treaties (DTT) and policy coherence were discussed. [51]

In March 2016, The Danish Minister for Tax invited AADK and the Danish development organisation IBIS for a meeting to discuss Double Taxation Treaties (DTT). [52]

It was the first time that two ActionAid offices (Denmark and Ghana) cooperated on a research like this. This has been a model that has inspired other ActionAid offices to undertake a similar process e.g. UK with Senegal and Malawi and Ireland with Zambia.

In addition, 9¹⁶ out of 35 outcomes on the national level had a contribution by the Global Tax programme. This contribution mainly constitutes of the reports developed by the Global Tax Campaign, such as the research 'Getting to good'¹⁷, 'Race to the bottom- Tax competition in East-Africa'¹⁸, as well as the 'Mistreated'¹⁹ report. The evidence provided in these reports was used by the national ActionAid offices in their lobby and advocacy efforts towards their governments.

For example: outcome [32] describes how the Zambia Sugar case²⁰ that was developed in cooperation with the Global Tax Campaign was used to lobby the Zambia government to illustrate the loss of domestic revenues due to unfair tax agreements. This contributed to the Zambian government reviewing and renegotiating the Zambia-UK Double Taxation Agreement (DTA) and the Zambia -Ireland Double Taxation Agreement (DTA) between 2012 and 2016.

8 of these 9 outcomes that show a link to the global level were classified as major changes.

On the regional level, 3 outcomes [22, 41, 45] were supported by the Global Tax Campaign.

Here, outcome 41 is a nice example of advocacy being done at the national and regional level and evidence used to advocate was shared between the national and global level. This had great influence on the African

¹⁶ 9, 16, 17, 18, 21, 29, 32, 47, 50

¹⁷ Getting to good – toward corporate responsible tax behavior, AADK, 2015. <https://www.ms.dk/rapport/getting-good-toward-responsible-corporate-tax-behaviour>

¹⁸ Race to the bottom- Tax competition in East-Africa, AA, 2012. <http://www.actionaid.org/shared/tax-competition-east-africa-race-bottom>

¹⁹ Mistreated - The tax treaties that are depriving the world's poorest countries of vital revenue, AAI, 2016. <https://www.ms.dk/rapport/mistreated>

²⁰ Sweet Nothing, AA, 2013. <http://www.actionaid.org/publications/sweet-nothings>

Heads of State who, at the 24th African Union Summit from 23-31 January 2016 in Addis Ababa, adopted strong recommendations to stop illicit financial flows from Africa, which they agreed to implement at the national level. These recommendations were contained in the report by the African Union's and UN Economic Commission for Africa's High Level Panel on Illicit Financial Flows chaired by Thabo Mbeki (former president of South Africa).

Two outcomes were identified by the change agent as relating to both the national and regional level. These are outcomes on the national level, which had positive implications on the regional level:

In 2016, the Mozambique Tax Authorities (ATM) introduced guidelines for corporates to seal alcoholic beverages and tobacco products leaving the country as it had revenue implications to South Africa, Swaziland, Malawi and Zimbabwe. [10]

In 2015, NORAD allocated 3 million EUROS for 3 years and Open Society Foundation USD \$100,000 for one year allocated for 6 countries (ActionAid Tanzania, Mozambique, Malawi, Nepal, Ethiopia and Myanmar) for ActionAid International for the programme on financing increased government investment in high quality public education especially for girls through progressive taxation. [49]

Horizontal linkages:

These linkages often tend to be underreported in a first harvest, because they relate to unfunded activities such as advice from one national office to the other, use of best practices and research by another national office. Nevertheless, the evaluator found 13 outcomes that demonstrate horizontal linkages. For 6 of these outcomes [3, 4, 9, 51, 52, 53] AA/AADK had a direct role in facilitating the horizontal learning and sharing in terms of facilitation of exchange visits between countries, sharing of research models as well as sharing of tools and models through the AADK facilitated Democratic Governance Delegation as well as through ActionAid sharing its skills on campaigns. The other 7 outcomes [2, 12, 19, 20, 21, 28, 31] demonstrate that models and experiences, developed by AA were shared in fora that AADK was not responsible for.

Conclusion and recommended points for discussion:

The strongest linkages between levels are in those cases where research reports and case studies from the Global Tax Campaign were used for lobby and advocacy on the national or regional level. These led to major changes in national governments and regional institutions.

AADK could discuss:

- Is the national level where ActionAid wants to achieve most results with the Tax Justice Programme? What can AADK do to stimulate results on the other levels?
- What can AADK do to stimulate horizontal linkages? How can AADK make horizontal linkages visual in the outcome reporting?
- How can ActionAid build on its strengths in establishing linkages between national and global level to also create linkages between the local, national and global level?

To what extent do the outcomes show a link between progressive taxation and improved social services?

The AADK governance programme consists of two elements: Gender Responsive Public Services and Tax Justice, where the end goal at impact level is instances of governments increasing budget allocations and/or actual disbursement for public services as a result of implementing a progressive system of taxation.²¹ Notwithstanding the fact, that results on improved social services are seen as impact level changes for the Tax Justice Programme, AADK was interested to see if any of the outcomes would show a more direct link between progressive taxation and improved social services.

To answer this question, the change agents were asked to classify²² their outcomes as related to progressive taxation or improved social services.

Figure 11 Number of outcomes for improved social services and progressive taxation



Improved social services /Progressive Taxation (color) and number of outcomes (size).

The majority of the outcomes, 41 out of 53, relate to progressive taxation. Only six outcomes relate to improved social services. In addition, the change agents identified 6 outcomes that relate to both progressive taxation and improved social services.

Outcomes that relate to both progressive taxation and improved social services:

In 2016, the District Government of Jangamo Administration in Mozambique regularly invited the district platform, consisting of local based CBOs working on Gender Responsive Public Services (GRPS) and Tax, for dialogue on local level taxation and service delivery for the District Platform in Jangamo, Inhambane. [4]

In 2015, the authorities of the Chibuto district in Mozambique established accountability procedures linked to waste taxes and waste services, which improved the waste management for 32,000 people in Chibuto district [6].

²¹ Indicator from Global Monitoring Matrix

²² All classification was reviewed by the evaluator

In 2016, the communities in Namaacha, Marracuene, Chibuto, Bilene, Jangamo district, Mocuba, Maganja da Costa, Nammaroi, Inharrime, Montepuez and Mocímboa da Praia in Mozambique, demanded transparency from the authorities in the collection and allocation of revenues from taxes through public debates, inter-face meetings with authorities and local monitoring. [7]

In 2016, the Prime Minister of Tanzania ordered the Marine Park (A tourism unit of the Ministry of Tourism) in the Mafia District of Tanzania to pay 91 000 000-00 Tanzania Shillings (USD 42000-00) in tax arrears to the Mafia District Council to enhance the provision of quality public services. [15]

In November 2015, major women's rights and tax justice civil society advocates (including: the Global Alliance for Tax Justice; the European Commission-funded "Tax Justice Together" project; International Trade Union Congress; Public Services International; Association for Women's Rights in Development; Centre for Economic and Social Rights; Christian Aid; Oxfam International; Tax Justice Network UK; and National Tax Payers Association Kenya) came together for the first time to organise the first Tax Justice for Women's Rights Global Days of Action, targeting national governments to demand they fulfil their commitment to securing women's rights and economic equality by taking action for tax justice. The days of action took place on the occasion of International Women's Day and the annual UN Commission on the Status of Women intergovernmental meeting in New York, from 8 – 24 March 2017. [45]

In 2015, NORAD allocated 3 million EUROS for 3 years and Open Society Foundation USD \$100,000 for one years allocated for 6 countries (ActionAid Tanzania, Mozambique, Malawi, Nepal, Ethiopia and Myanmar) for ActionAid International for the programme on financing increased government investment in high quality public education especially for girls through progressive taxation. [48]

Outcome 6 and 15 demonstrate well the link between progressive taxation and improved budget allocations for social services or improved social services. Outcome 4 exemplifies how ActionAid was included in discussions with the district government about progressive taxation and improved social services, but does not indicate that the social services have actually been improved. Outcomes 7 and 45 describe how CSOs are demanding for progressive taxation and improved social services and outcome 48 is about funding for ActionAid to improve government investment in improved social services.

The 6 outcomes [8, 9, 11, 13, 14, 34] that were categorised as relating to improved public services have improved public services as the entry point for engagement with ministries, government institutions or communities, linking it to taxation as a necessary funding sources.

Conclusions and recommended points for discussion:

The entry point for this Outcome Harvesting Evaluation was progressive taxation. ADDK was however interested to see if the outcomes would demonstrate a link between progressive taxation and improved social services. Only 2-3 outcomes provided evidence, so the link did not become visible through the outcomes. In these few cases, the link between taxation and improved social services is relatively easy to make (e.g. waste taxes for waste management). Most likely, the link between taxes paid and specific social services being improved will be very difficult to make in many cases. This was also noted by one of the change agents during the harvesting workshop, who emphasized that linking revenue from, for example, waste tax directly to spending on waste management may not result in progressive public spending benefitting the most marginalized. The spending should rather correspond to the priorities of the communities and people at the receiving end, where it may be difficult to make a direct link between an increase in tax revenue due to a concrete policy change, to the improvement in public services at community level.

Therefore, AADK should reflect on whether identifying direct linkages between tax payments and improved social services is recommendable and applicable or whether other ways of analysing the connection between tax and improved public services might be more relevant.

Overall conclusions:

The findings of this Outcome Harvest are just one of many important factors to determine what decisions or actions the users will take. There are usually many other factors (e.g. political, legal, public perception, financial, programmatic) that must be considered which are unknown to the evaluator. Consequently, evaluators of an outcome harvest can rarely make recommendations for action. Instead, they can recommend discussion points around harvest findings and support or facilitate the use of the findings of the harvest.²³ Specific conclusions and recommended points for discussion have been provided in the sections with the evaluation questions and will hence not be repeated here. Since ActionAid is considering integrating Outcome Harvesting into its monitoring system, recommended points for discussion on the use of OH have also been provided.

All in all, the 53 outcomes harvested in this evaluation demonstrate that ActionAid is influencing significant outcomes through its Tax Justice Programme. It is clear, that many more outcomes could have been collected if more time would have been available. The Harvest revealed, that the Tax Justice Programme mainly contributed to national governments and ministries of finance being willing to collaborate with ActionAid, adopting recommendations and changing policies and practices around Tax Justice. In that sense, the Tax Justice programme is mainly making progress on objective 1: Governments make fairer/progressive tax raising rules. The contribution to these outcomes was mainly through the Tax Advisors with programme support by AADK. The outcomes illustrate good examples of results that are locally rooted. These examples could be used to broaden the scope of locally rooted results. The link between progressive taxation and improved social services did not really become visible through the outcomes. It is however questionable if it is possible to demonstrate this in an outcome evaluation. The outcomes do however show strong linkages between different levels in those cases where research reports and case studies from the Global Tax Campaign were used for lobby and advocacy on the national or regional level. The findings also demonstrate, that ActionAid is able to work both at local level engaging communities; at national level and at global level influencing global fora – taking up issues such as Double Taxation Treaties (DTT) across the various levels. In addition, the outcomes confirm the active role that civil society can play at these various levels.

As mentioned in the introduction, before the harvest, the various interventions on Tax Justice by ActionAid were not seen as a programme. Interestingly, this Outcome Harvest shows that the results achieved by these various interventions are very coherent. In addition, by bringing the various partners together, the Outcome Harvesting evaluation contributed to building a more integrated programme approach, embracing both national and global policy and advocacy work as well as engagement with corporates and programme work at national level. The 5 commonly agreed objectives were mainly based on the objectives for the Global Tax Campaign programme, since the country programmes and the policy work in Denmark had very specific project based intermediate objectives. In the next phase of the tax justice activities, a more integrated programme will be developed.

Conclusions on the value of the Outcome Harvesting approach for ActionAid:

²³ Wilson-Grau, R., Britt, H., *Outcome Harvesting*, Ford Foundation, 2013, p.25.

Until now, ActionAid has mainly been reporting on the output level for the Tax Justice programme, and cases illustrating outcome and impact level, but without a clear systematic approach in collecting and analysing the cases. AADK would benefit from continuing to use Outcome Harvesting as a monitoring tool and identifying the outcome changes of the Tax Justice Programme over time. Outcome Harvesting would be a useful tool in this sense, since the results the Tax Justice programme is aiming for are about behavioural change and the approach of the Programme is not a tried and proven model. In addition, the change agents were really engaged during the Harvest. They were dedicated to work on their outcomes during the workshop and to invest time after the workshop to refine their outcomes. These are good prerequisites for implementing the method further. Outcome Harvesting could easily be integrated into the existing monitoring procedures of AADK. This initial Outcome Harvesting forms a good basis for discussion within AADK on how to adapt the method further to the needs of the organisation.